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# Message Text

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45
ACTION ARA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

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E.O. 11652: N/A
TAGS: PINT, AR
SUBJECT: OPTIMISM REGARDING "LUDER MIRACLE" SHORT-LIVED

1. LUDER'S DECISIVE ACTIONS DURING HIS FIRST FEW DAYS IN OFFICE HAD STIMULATED NEAR-EUPHORIA IN SOME POLITICAL AND PRESS CIRCLES. SOME WERE REFERRING TO HIM AS "SUPER LUDER", AND, ONE WEEKLY NEWSSHEET DECLARED, "IT'S GREAT TO HAVE A GOVERNMENT AGAIN."

2. BY WEEK'S END, HOWEVER, THE OPTIMISM HAD GIVEN WAY TO RENEWED CONCERN FOR THE FUTURE. THIS RESULTED NOT SO MUCH FROM ANYTING LUDER DID--OR FAILED TO DO; RATHER, IT SEEMED TO RESULT FROM A RENEWED PERCEPTION OF THE MAGNITUDE OF THE PROBLEMS FACED AND THE TENUOUSNESS OF THE GOVERNMENT'S POLITICAL BASE. PERONISM,FOR EXAMPLE, CONTINUED TO FRAGMENT. LAST WEEK, MOST OF THE ANTIVERTICALISTA PERONIST DEPUTIES IN THE NATIONAL CHAMBER FORMED A BLOC OF THEIR OWN WITHIN THE PERONIST BLOC. ONE OF THEIR LEADERS INSISTED TO AN EMBOFF THAT THE MOVE WAS NOT DIRECTED AT LUDER, WHOM THEY REGARD AS ONE OF THEIR OWN; RATHER, HE SAID, IT WAS MEANT TO SIGNAL THAT THEY ARE TIRED OF TAKING ORDERS FROM THE LIKES OF MRS. PERON AND ROBLEDO. THE EFFECT, NONETHELESS, WAS EQUALLY DETRIMEN-
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TAL TO LUDER, WHO MUST WORK FROM A PERONIST POLITICAL BASE.

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THE LEFT-WING PERONIST AUTENTICOS ALSO RENEWED THEIR ACTIVITY DURING THE WEEK, FORMALLY ANNOUNCING A NEW POLITICAL MOVEMENT AT A CEREMEONY DURING WHICH RODOLFO GALIMBERTI MADE HIS FIRST APPEARANCE IN ALMOST A YEAR. THE AUTENTICOS DENOUNCED LUDER AS BEING JUST AS BAD AS MRS. PERON.

3. FURTHER, THERE WAS CONSIDERABLE SPECULATION LATE IN THE WEEK CONCERNING FRICTION BETWEEN THE THREE TOP LEADERS--LUDER, ROBLEDO AND CAFIERO. LUDER AND CAFIERO HAVE ALREADY HAD WORDS OVER THE ECON MINISTER'S FAILURE TO INFORM THE INTERIM PRESIDENT OF LAST WEEK'S CURRENCY DEVALUATION. LUDER AND ROBLEDO ARE STILL COOPERATING WELL--APPARENTLY. BUT LUDER IS INCREASINGLY PERCEIVED AS THE LEADER OF THE ANTIVERTICALISTA FACTION AND AS THE ALTERNATIVE TO MRS. PERON, WHILE ROBLEDO IS CAST IN THE ROLE OF VERTICALISTA LEADER AND LOYAL TO MRS. PERON. AS THE "VERTICALISTAS" PUT INCREASING PRESSURE ON MRS. PERON TO RESUME THE PRESIDENCY, AN EVENT NOW SUPPOSEDLY SET FOR OCT 17, THE LINES DIVIDING THE TWO MEN WILL DOUBTLESS HARDEN. SOME EVIDENCE INDICATES VERTICALISTAS, ALARMED BY LUDER'S MOVES TO DATE, ARE PLANNING TO PRESSURE MRS.PERON TO RETURN BEFORE OCT 17. APART FROM OTHER FRICTIONS, ALL THREE MEN HARBOR PRESIDENTIIAL AMBITIONS WHICH WOULD HAVE PRODUCED POLITICAL STRAINS UNDER THE BEST OF CIRCUMSTANCES.

4. FINALLY, AFTER A FEW DAYS OF DISTRACTION (CABINET CHANGES, LACABANNE'S OUSTER, ETC.), THE FOCUS OF ATTENTION CAME BACK TO THE HARD ECONOMIC REALITIES-- AND IN THAT AREA IT IS ALL TOO APPARENT THAT LITTLE PROGRESS HAS BEEN MADE.

5. COMMENT: EVEN THOSE WHOSE VIEWS WERE MOST VOLATILE--EXTREMELY OPTIMISTIC ON MONDAY, IN THE DEPTHS OF DESPAIR ON FRIDAY--HAVE NOT SUGGESTED THAT LUDER HAS NOT DONE A GOOD JOB SO FAR. PERHAPS, IN THE FINAL ANALYSIS,THE FACT THAT THE EUPHORIA WAS SO SHORT-LIVED IS A HEALTHY INDICATION OF A RETURN TO A MORE BALANCED VIEW, IE ONE WHICH SEES THE PROBLEMS AS BEING GREAT AND NOT SUSCEPTIBLE TO MIRACULOUS SOLUTIONS--BY LUDER OR ANYONE ELSE.
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